

2003 DRAFTING REQUEST**Bill**Received: **01/06/2004**Received By: **pkahler**Wanted: **As time permits**

Identical to LRB:

For: **Sheldon Wasserman (608) 266-7671**By/Representing: **Joe Hoey**This file may be shown to any legislator: **NO**Drafter: **pkahler**

May Contact:

Addl. Drafters:

Subject: **Health - miscellaneous
Insurance - miscellaneous**

Extra Copies:

Submit via email: **YES**Requester's email: **Rep.Wasserman@legis.state.wi.us**

Carbon copy (CC:) to:

Pre Topic:

No specific pre topic given

Topic:

Purpose of injured patients and families compensation fund

Instructions:

See Attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	pkahler 01/06/2004	jdye 01/13/2004 jdye 01/13/2004		_____			
/1			pgreensl 01/13/2004	_____	lemery 01/13/2004		

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/2	pkahler 01/20/2004	jdye 01/20/2004	jfrantze 01/20/2004	_____	mbarman 01/20/2004		
/3	pkahler 02/11/2004	jdye 02/12/2004	jfrantze 02/12/2004	_____	sbasford 02/12/2004		
/4	pkahler 02/18/2004	jdye 02/19/2004 jdye 02/19/2004	pgreensl 02/19/2004	_____ _____ _____	mbarman 02/19/2004	Inorthro 03/08/2004	
/5	pkahler 03/08/2004	kguoy 03/08/2004	chaugen 03/08/2004	_____ _____	sbasford 03/08/2004	sbasford 03/08/2004	

FE Sent For:

*none
needed*

<END>

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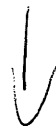
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/?	pkahler 01/06/2004	jdye 01/13/2004 jdye 01/13/2004					
/1		15-3/8 kg	pgreensl 01/13/2004		lemery 01/13/2004		



Please
Jacket "15"
for the Assembly

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
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/2	pkahler 01/20/2004	jdye 01/20/2004	jfrantze 01/20/2004	_____	mbarman 01/20/2004		
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/3	pkahler 02/11/2004	jdye 02/12/2004	jfrantze 02/12/2004	_____	sbasford 02/12/2004		
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/4	pkahler 02/18/2004	jdye 02/19/2004	pgreensl 02/19/2004	_____	mbarman 02/19/2004	lnorthro 03/08/2004	
		jdye 02/19/2004	_____	_____			

FE Sent For:

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3-8

OK
3-8

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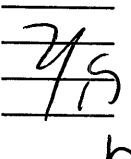
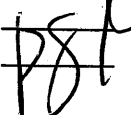
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02/12/2004 09:02:53 AM

Page 2

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
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FE Sent For:

<END>

01/20/2004 01:46:47 PM

Page 1

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			2/12	2/12			

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Page 2

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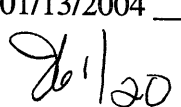
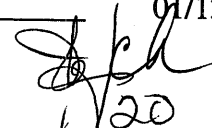
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/?	pkahler	1/13 jld	1/13	1/13			
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FE Sent For:

<END>

Kahler, Pam

From: Hoeyx, Joseph
Sent: Friday, December 19, 2003 2:56 PM
To: Kahler, Pam

Here's the language Sheldon gave me.
Thanks for your help.



PCF Bill.pdf

Assembly Amendment

To 2003 Assembly Bill 487

- 1 655.27(6) of the statutes is repealed and recreated to read:
- 2 655.27(6) Purpose and Integrity of Fund. The Injured Patients and Families
- 3 Compensation Fund is established to provide health care providers with accessible and
- 4 affordable medical malpractice coverage and to provide patients and their families with a
- 5 secure source of payment if injured by a negligent health care provider. The fund,
- 6 including any net worth of the fund, is held in trust exclusively for the sole benefit of
- 7 injured patients and their families who are proper claimants against the fund. Moneys in
- 8 the fund may not be used for any other purpose of the state.



State of Wisconsin
2003 - 2004 LEGISLATURE

LRB-3975/

PJK:.....

jld

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

Thurs.
please
1-15

gen cot

- 1 AN ACT *relating to:* the purpose of the injured patients and families
- 2 compensation fund.

Analysis by the Legislative Reference Bureau

The health care liability provisions of the statutes require certain health care providers to carry health care liability (medical malpractice) insurance with liability limits of at least \$1,000,000 for each occurrence and at least \$3,000,000 for all occurrences in a policy year. Any portion of a medical malpractice claim that exceeds the policy limits is paid by the injured patients and families compensation fund (fund) for health care providers that are subject to the health care liability provisions. Money for the fund comes from annual assessments paid by those health care providers.

Current law provides that the fund is established to curb the rising costs of health care by financing part of the liability incurred by health care providers, that the fund is held in irrevocable trust for the sole benefit of health care providers and proper claimants, and that the fund may not be used for any other purpose of the state. This bill changes the emphasis of the stated purpose of the fund. The bill provides that the fund is established to provide health care providers with accessible and affordable medical malpractice coverage and to provide a secure source of payment for patients and their families, that the fund is held in trust exclusively for the sole benefit of injured patients and their families, and that the fund may not be used for any other purpose of the state. Neither current law nor this bill affects the use of the fund, which is to pay on behalf of a health care provider that is subject to

statutorily permitted

the purpose provided in

the purpose stated in

statutorily

the health care liability provisions any portion of a medical malpractice claim that exceeds the required medical malpractice insurance policy limits.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 SECTION 1. 655.27 (6) of the statutes, as affected by 2003 Wisconsin Act 111, is
2 amended to read:

3 655.27 (6) PURPOSE AND INTEGRITY OF FUND. The fund is established to ~~curb the~~
4 ~~rising costs of health care by financing part of the liability incurred by~~ provide health
5 care providers ~~as a result of~~ with accessible and affordable medical malpractice
6 ~~claims coverage~~ and to ensure that proper claims are satisfied provide a secure
7 source of payments to patients, and to the families of patients, who are injured by
8 negligent health care providers. The fund, including any net worth of the fund, is
9 held in irrevocable trust exclusively for the sole benefit of ~~health care providers~~
10 ~~participating in the fund and~~ injured patients and their families who are proper
11 claimants against the fund. Moneys in the fund may not be used for any other
12 purpose of the state.

History: 2003 a. 111.

(END)

Kahler, Pam

From: Hoeyx, Joseph
Sent: Tuesday, January 20, 2004 9:14 AM
To: Kahler, Pam

Pam,

Here is the latest version of what Sheldon would like to see as LRB 3975.

Thanks.



PCF Purpose
Language Change.do.

SECTION 24. 655.27 (6) of the statutes is amended to read:

655.27 (6) PURPOSE AND INTEGRITY OF FUND. The fund is established to curb the rising costs of health care by financing part of the liability incurred by health care providers as a result of medical malpractice claims and to ensure that proper claims are satisfied. The fund, including any net worth of the fund, is held in irrevocable trust for the sole benefit of ~~health care providers participating in the fund and~~ injured patients and their families who are proper claimants against the fund. Moneys in the fund may not be used for any other purpose of the state.



State of Wisconsin
2003 - 2004 LEGISLATURE

LRB-3975/2

PJK:jld:pg

r mis run

2003 BILL

SOON
(1-20)

Regen

- 1 AN ACT to amend 655.27 (6) of the statutes; relating to: the purpose of the
2 injured patients and families compensation fund.

Analysis by the Legislative Reference Bureau

The health care liability provisions of the statutes require certain health care providers to carry health care liability (medical malpractice) insurance with liability limits of at least \$1,000,000 for each occurrence and at least \$3,000,000 for all occurrences in a policy year. Any portion of a medical malpractice claim that exceeds the policy limits is paid by the injured patients and families compensation fund (fund) for health care providers that are subject to the health care liability provisions. Money for the fund comes from annual assessments paid by those health care providers.

Current law provides that the fund is established to curb the rising costs of health care by financing part of the liability incurred by health care providers, that the fund is held in irrevocable trust for the sole benefit of health care providers and proper claimants, and that the fund may not be used for any other purpose of the state. This bill changes the ~~purpose of the~~ stated purpose of the fund. The bill provides that the fund is ~~established to provide health care providers with accessible and affordable medical malpractice coverage and to provide a source of payment for patients and their families, that the fund is held in trust exclusively for the sole benefit of injured patients and their families, and that the fund may not be used for any other purpose of the state. Neither the purpose stated in current law nor the purpose provided in this bill affects the statutorily permitted use of the fund, which is to pay on behalf of a health care provider that is subject to the health care~~

with respect to whom the fund is to benefit

BILL

~~liability provisions any portion of a medical malpractice claim that exceeds the
statutorily required medical malpractice insurance policy limits~~ → Insert A ✓

*The people of the state of Wisconsin, represented in senate and assembly, do
enact as follows:*

1 **SECTION 1.** 655.27 (6) of the statutes, as affected by 2003 Wisconsin Act 111, is
2 amended to read:

3 **655.27 (6) PURPOSE AND INTEGRITY OF FUND.** The fund is established to ~~curb the~~
4 ~~rising costs of health care by financing part of the liability incurred by~~ provide health
5 care providers as a result of with accessible and affordable medical malpractice
6 claims coverage and to ensure that proper claims are satisfied provide a secure
7 source of payments to patients, and to the families of patients, who are injured by
8 negligent health care providers. The fund, including any net worth of the fund, is
9 held in ~~irrevocable trust~~ exclusively for the sole benefit of ~~health care providers~~
10 ~~participating in the fund and~~ injured patients and their families who are proper
11 claimants against the fund. Moneys in the fund may not be used for any other
12 purpose of the state.

13 (END)

13

Insert 2-12 ✓

2003-2004 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-3975/2ins
PJK:jld:pg

INSERT A

W091

held in irrevocable trust for the sole benefit of injured patients and their families who are proper claimants against the fund

(END OF INSERT A)

INSERT 2-12

1 SECTION 1. 655.27 (6) of the statutes, as affected by 2003 Wisconsin Act 111, is
2 amended to read:

3 655.27 (6) PURPOSE AND INTEGRITY OF FUND. The fund is established to curb the
4 rising costs of health care by financing part of the liability incurred by health care
5 providers as a result of medical malpractice claims and to ensure that proper claims
6 are satisfied. The fund, including any net worth of the fund, is held in irrevocable
7 trust for the sole benefit of ~~health care providers participating in the fund and~~
8 injured patients and their families who are proper claimants ✓ against the fund.
9 Moneys in the fund may not be used for any other purpose of the state.

History: 2003 a. 111.

(END OF INSERT 2-12)

Kahler, Pam

From: Hoeyx, Joseph
Sent: Wednesday, February 11, 2004 1:26 PM
To: Kahler, Pam

Pam,

Here is the change to LRB 3975 that I left you a message about. Please let me know if you have any questions.

Thanks.

Joey



PCF Purpose
language Change# 2

SECTION 24. 655.27 (6) of the statutes is amended to read:

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Kahler, Pam

From: Hoeyx, Joseph
Sent: Wednesday, February 11, 2004 2:00 PM
To: Kahler, Pam
Subject: RE:

Pam,

Thanks for checking - Sheldon does want to leave that language as is. The whole idea behind the bill was to prevent future legislatures (and the PCF Board) from authorizing the return of surplus funds back to fund participants. I think the new language gets at this better than the old.

Thanks for all your help.

Joe

-----Original Message-----

From: Kahler, Pam
Sent: Wednesday, February 11, 2004 1:34 PM
To: Hoeyx, Joseph
Subject: RE:

Hi, Joe:

I do want to clarify something: the new language that you sent, besides adding the "including" clause to the very end, goes back to the language now in current law that says "for the sole benefit of *health care providers participating in the fund and proper claimants*" instead of "for the sole benefit of *injured patients and their families who are proper claimants against the fund*." I just wanted to make sure that the change was intentional. Thanks!

Pam

-----Original Message-----

From: Hoeyx, Joseph
Sent: Wednesday, February 11, 2004 1:26 PM
To: Kahler, Pam
Subject:

Pam,

Here is the change to LRB 3975 that I left you a message about. Please let me know if you have any questions.

Thanks.

Joey

<< File: PCF Purpose Language Change# 2.doc >>



State of Wisconsin
2003 - 2004 LEGISLATURE

LRB-3975/2 3

PJK:jld:jf

r m is run

2003 BILL

SOON
(in 2-11)

Regen

- 1 AN ACT *to amend* 655.27 (6) of the statutes; **relating to:** the purpose of the
- 2 injured patients and families compensation fund.

Analysis by the Legislative Reference Bureau

→ The health care liability provisions of the statutes require certain health care providers to carry health care liability (medical malpractice) insurance with liability limits of at least \$1,000,000 for each occurrence and at least \$3,000,000 for all occurrences in a policy year. Any portion of a medical malpractice claim that exceeds the policy limits is paid by the injured patients and families compensation fund (fund) for health care providers that are subject to the health care liability provisions. Money for the fund comes from annual ~~assessments~~ ^{fees} paid by those health care providers.

→ Current law provides that the fund is established to curb the rising costs of health care by financing part of the liability incurred by health care providers, that the fund is held in irrevocable trust for the sole benefit of health care providers and proper claimants, and that the fund may not be used for any other purpose of the state. This bill changes the stated purpose of the fund with respect to whom the fund is to benefit. The bill provides that the fund is held in irrevocable trust for the sole benefit of injured patients and their families who are proper claimants against the fund.

→ insert A ✓

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

BILL

SECTION 1. 655.27 (6) of the statutes, as affected by 2003 Wisconsin Act 111, is amended to read:

655.27 (6) PURPOSE AND INTEGRITY OF FUND. The fund is established to curb the rising costs of health care by financing part of the liability incurred by health care providers as a result of medical malpractice claims and to ensure that proper claims are satisfied. The fund, including any net worth of the fund, is held in irrevocable trust for the sole benefit of ~~health care providers participating in the fund and injured patients and their families who are proper claimants against the fund.~~ Moneys in the fund may not be used for any other purpose of the state.

(END)

Insert 2-9

2003-2004 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-3975/3ins
PJK:jld:jf

INSERT A

no H provides that the purposes for which moneys[✓] in the fund[✓] may not be used
include returning to health care providers any surplus ~~fund~~ derived from fees paid
by the health care providers ~~NO~~

(END OF INSERT A)

moneys ✓

INSERT 2-9

moneys in the
fund ✓

- 1 no H including returning to health care providers any surplus ~~fund~~ derived from
2 fees paid under sub. (3) ✓

(END OF INSERT 2-9)

Kahler, Pam

From: Hoeyx, Joseph
Sent: Wednesday, February 18, 2004 10:05 AM
To: Kahler, Pam
Subject: LRB 3975/?

Pam,

Here's the new improved version!

Thanks for all your help.

Joe

655.27 (6) PURPOSE AND INTEGRITY OF FUND. The fund is established to curb the rising costs of health care by financing part of the liability incurred by health care providers as a result of medical malpractice claims and to ensure that proper claims are satisfied. The fund, including any net worth of the fund, is held in irrevocable trust for the sole benefit of health care providers participating in the fund and proper claimants. Moneys in the fund may not be used for any other purpose of the state. Upon dissolution of the fund, excess surplus may not be distributed to health care providers that participated in the fund.

"excess surplus" is redundant
by definition, all "health care providers"
participate in the fund



State of Wisconsin
2003 - 2004 LEGISLATURE

LRB-3975/3

PJK:jld:jf

rm is run

2003 BILL

SOON
(in 2-18)

✓ prohibiting distribution of

Reger

- ① AN ACT to amend 655.27 (6) of the statutes; relating to: ~~the purpose of the~~
② injured patients and families compensation fund

Analysis by the Legislative Reference Bureau

The health care liability provisions of the statutes require certain health care providers to carry health care liability (medical malpractice) insurance with liability limits of at least \$1,000,000 for each occurrence and at least \$3,000,000 for all occurrences in a policy year. Any portion of a medical malpractice claim that exceeds the policy limits is paid by the injured patients and families compensation fund (fund) for health care providers that are subject to the health care liability provisions. Money for the fund comes from annual fees paid by those health care providers.

Current law provides that the fund is established to curb the rising costs of health care by financing part of the liability incurred by health care providers, that the fund is held in irrevocable trust for the sole benefit of health care providers and proper claimants, and that the fund may not be used for any other purpose of the state. This bill provides that the purposes for which moneys in the fund may not be used include returning to health care providers any surplus moneys derived from fees paid by the health care providers.

surplus to providers

✓
Insert
A

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

BILL

SECTION 1

1 SECTION 1. 655.27 (6) of the statutes, as affected by 2003 Wisconsin Act 111, is
2 amended to read:

3 655.27 (6) PURPOSE AND INTEGRITY OF FUND. The fund is established to curb the
4 rising costs of health care by financing part of the liability incurred by health care
5 providers as a result of medical malpractice claims and to ensure that proper claims
6 are satisfied. The fund, including any net worth of the fund, is held in irrevocable
7 trust for the sole benefit of health care providers participating in the fund and proper
8 claimants. Moneys in the fund may not be used for any other purpose of the state.

9 ~~including returning to health care providers any surplus moneys in the fund derived~~
10 ~~from fees paid under sub. (3).~~ insert 2-10 ✓

11 (END)

plain
period

2003-2004 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-3975/4ins
PJK:jld:jf

INSERT A

^{no H} adds that any fund surplus or any unexpended moneys[✓] remaining in the[✓] fund
after its dissolution may not be distributed to health care providers that participated
in the fund ^{no}~~H~~

(END OF INSERT A)

INSERT 2-10

- 1 ^{no H} Neither surplus moneys in the fund^y nor unexpended moneys remaining in the
2 fund after its dissolution^y may be distributed to[✓] health care providers that
3 participated in the fund.

(END OF INSERT 2-10)

Northrop, Lori

From: Hoeyx, Joseph
Sent: Monday, March 08, 2004 11:12 AM
To: LRB.Legal
Subject: Draft review: LRB 03-3975/3 Topic: Purpose of injured patients and families compensation fund

It has been requested by <Hoeyx, Joseph> that the following draft be jacketed for the ASSEMBLY:

Draft review: LRB 03-3975/3 Topic: Purpose of injured patients and families compensation fund

Joe Boy - by phone 3-8

please go back to "13" version
and jacket for Assembly



State of Wisconsin
2003 - 2004 LEGISLATURE

LRB-3975/5

PJK:jld:pg

2003 BILL

stays

rm is run

[Signature]

non-
today
(NOTE: This version is
the same as "13",
which may be used
instead of the inserts)

the

regen

the purpose

- 1 AN ACT to amend 655.27 (6) of the statutes; relating to: ~~prohibiting distribution~~
- 2 of injured patients and families compensation fund ~~which is to provide~~

Analysis by the Legislative Reference Bureau

The health care liability provisions of the statutes require certain health care providers to carry health care liability (medical malpractice) insurance with liability limits of at least \$1,000,000 for each occurrence and at least \$3,000,000 for all occurrences in a policy year. Any portion of a medical malpractice claim that exceeds the policy limits is paid by the injured patients and families compensation fund (fund) for health care providers that are subject to the health care liability provisions. Money for the fund comes from annual fees paid by those health care providers.

Current law provides that the fund is established to curb the rising costs of health care by financing part of the liability incurred by health care providers, that the fund is held in irrevocable trust for the sole benefit of health care providers and proper claimants, and that the fund may not be used for any other purpose of the state. This bill adds that any fund surplus or any unexpended moneys remaining in the fund after its dissolution may not be distributed to health care providers that participated in the fund.

Insert A

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

Insert 2-8

Neither surplus moneys in the fund, nor unexpended moneys remaining in the fund after its dissolution may be distributed to health care providers that participated in the fund.

(END)

**2003-2004 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRB-3975/5ins
PJK:jld:pg

INSERT A

wd 4 provides that the purposes for which moneys in the fund may not be used include returning to health care providers any surplus moneys derived from fees paid by the health care providers

(END OF INSERT A)

INSERT 2-8

- wd 4
- 1 including returning to health care providers any surplus moneys in the fund
 - 2 derived from fees paid under sub. (3)

(END OF INSERT 2-8)